

Human Capital *System for Accountability*



For the fiscal years 2004 – 2008



The Department of the Treasury

Human Capital
System for Accountability

For the fiscal years 2005 – 2008

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EXECUTIVE SUMMARY

The Treasury *Human Capital System for Accountability* (HCSFA) is a single system for gauging the effectiveness of the Department's human capital management programs. The intent of the system is to provide managers with meaningful data to make more informed decisions related to investments in human capital management programs. Key features of the HCSFA include a partnership between human capital and management, accountability management tools that are results-based and data driven, recognition of accomplishments and shared best practices, and implementation flexibility.

This HCSFA provides accountability measures aligned with the Treasury *Human Capital Strategic Plan* (HCSP). It provides the mechanism and processes to assist with reporting and communicating about the four strategic goals identified in the HCSP and will help ensure progress toward meeting the President's Management Agenda (PMA) commitments. It outlines roles and responsibilities for key stakeholders, such as the bureau heads, bureau Human Resources Officers, and the Deputy Assistant Secretary for Human Resources and Chief Human Capital Officer (DASHR/CHCO). The Treasury *Human Capital System for Accountability* also provides a clear process and timeline for ensuring accountability.

PURPOSE

The Treasury *Human Capital System for Accountability (HCSFA)* is a single system for gauging the overall effectiveness of the Department and its bureaus' human capital programs and how well they support the overall Treasury mission. The *Human Capital System for Accountability* is aligned with, and a companion document to, the Treasury *Human Capital Strategic Plan (HCSP)*. The HCSFA outlines the annual cycle that the Department will use to measure progress towards meeting strategic human capital goals, the effectiveness and efficiency of human capital programs, and compliance with relevant personnel regulations. The system will also help to highlight best practices throughout Treasury and identify needed programs and resources.

The intent of the *Human Capital System for Accountability* is to drive human capital decisions with meaningful data and ensure a level of accountability for leadership as progress is made towards achieving human capital goals. Accordingly, this system is meant to be helpful and promote improvement, not to dictate or mandate specific actions. The HCSFA will serve as a framework, providing guidance, policies, and management tools, yet will allow each bureau the flexibility to tailor the system to meet mission-specific needs.

The Deputy Assistant Secretary for Human Resources and Chief Human Capital Officer (DASHR/CHCO) leads the Human Capital System for Accountability effort for Treasury. The HCSFA was designed to support management of human capital across the Department according to four key principles:

- Building a **human capital and management partnership** with regards to planning and accountability.
- Providing a forum for **recognizing accomplishments and sharing best practices** across the bureaus.
- Developing standardized guidance and facilitating the development of results-oriented, data-driven **accountability management tools** for bureaus. This includes coordinating bureau documentation and monitoring activities related to Treasury HCSP implementation.
- Recognizing the operational diversity of the Department by providing broad guidance and policies and allowing for **flexibility in implementation** to tailor processes and activities for each bureau.

The HCSFA outlines a process for implementation that clearly defines roles and responsibilities, process steps/actions, and timeframes. The following sections provide the measures, a description of the accountability tools, an overview of roles and responsibilities and the process for ensuring accountability. Treasury will begin implementation of the *Human Capital System for Accountability* in fiscal year 2005.

ACCOUNTABILITY MEASURES

A working group made up of the DASHR/CHCO team and a group of bureau executives developed the key measures that will indicate progress toward Treasury's four *Human Capital Strategic Plan* goals. The table below provides an overview of the accountability measures. The list includes outcome-oriented measures, programmatic measures, as well as workforce perceptual measures (i.e. Federal Human Capital Survey data). These measures are incorporated into the accountability tools. For more detailed descriptions including data owner, reporting frequency, definitions, and reliability, refer to the **Accountability Measures** (Appendix 1).

Accountability Measures	
HCSP Goal #1: Organizational Effectiveness	
<ul style="list-style-type: none"> • Comparison of Compensation – employees with highest rating of record and all other employees • Federal Human Capital Survey Index: Performance Distinctions • Federal Human Capital Survey Index: Well-Trained Workforce • Number of bureaus with documented Human Capital strategies, which are aligned with bureau strategic plans • Number of bureaus that conduct workforce reviews or formal planning on a periodic basis 	
HCSP Goal #2: Recruitment and Diversity	
<ul style="list-style-type: none"> • Workforce hiring and separation trends in comparison to the Federal Labor Force, the Civilian Labor Force, and the Relevant Civilian Labor Force as appropriate • Full time, permanent employees in mission critical occupations at or above working level compared to all mission critical occupations • Quality of hires (retention of new hires after 3 years) • Number of bureaus with a documented recruitment and hiring strategy in place which addresses skills and diversity needs • Vacancy minimization/percentage of vacant positions that are filled in 45 work days (or a comparable calculation) or less 	
HCSP Goal #3: Employee Retention and Employee Satisfaction	
<ul style="list-style-type: none"> • Federal Human Capital Survey Index: Culture of Inspiring, Ethical, and Effective Leadership • Employee retention and attrition rates of employees receiving the highest attainable rating versus others (breakout by bureau, mission critical occupations, RNO/Gender, New Hires) • Federal Human Capital Survey Index: Supportive Workplace Environment • Federal Human Capital Survey Index: High Level of Employee Satisfaction • Federal Human Capital Survey Index: Optimum Fairness and Equity in the Treatment of Employees 	
HCSP Goal #4: Technology Skills	
<ul style="list-style-type: none"> • Number of bureaus with documented strategies in place that identify and take steps to address employee technology competency gaps • Number of bureaus which periodically address the impact of relevant current and evolving technologies on human capital goals • Federal Human Capital Survey Index: Learning and Knowledge Management 	

ACCOUNTABILITY TOOLS

The *Human Capital System for Accountability* institutionalizes four accountability management tools to help determine the extent to which strategic human capital programs are implemented and are effective; whether Treasury's executives, managers, supervisors and human capital practitioners administer and manage human capital effectively; and whether Treasury's human capital programs support merit system principles. While Bureaus will be asked to provide data and use the tools described below, the primary reporting requirement for the Bureaus is completion of the **Human Capital Progress Report** (Appendix 3).

The **Annual Human Capital Assessment Report** (Appendix 2) is a tool initiated by the DASHR/CHCO to track Department-wide progress against the accountability measures. The report will serve as the basis for developing bureau human capital commitments as well as discussions between the DASHR/CHCO and bureau heads to identify strengths and opportunities in the bureau human capital programs. While each individual bureau is expected to monitor progress against each of the accountability measures, most of the data for the Assessment Report will be collected and analyzed at the Department level and provided to the bureaus. Targets for the accountability measures will be developed at the end of FY05, once baseline data is collected and the measures are piloted. Some measures do not lend themselves to specific targets; however, for those that do, the Department will work collaboratively with the bureaus to set realistic and appropriate targets.

The **Human Capital Progress Report** (Appendix 3) will be used by the bureaus to document annual bureau-specific commitments, accomplishments, and progress toward meeting the HCSP goals. To start the annual process, bureaus will submit their commitments to the Treasury Office of the Deputy Assistant Secretary and Chief Human Capital Officer by October 31. Bureaus will submit completed Progress Reports to the DASHR/CHCO twice annually on March 31 (mid-year) and September 30 (annual roll-up). Bureaus will self-score their progress on each HCSP goal; however, the DASHR/CHCO will review the scores. The DASHR/CHCO will use the Progress Reports as a discussion tool with bureau heads, to assess overall progress on HCSP goals and PMA initiatives, and for Treasury's reporting to OMB and OPM.

The **Best Practices Capture Tool** (Appendix 4) was designed to assist bureaus in documenting internal human capital management best practices so that they may be shared with other bureaus during annual forums facilitated by the DASHR/CHCO.

And finally, the **Compliance Self-Assessment Tool** (Appendix 5) is designed to assist bureaus in monitoring effectiveness in implementing merit-based strategies. Bureaus are required to complete a general self-assessment once during the life of the HCSP (FY 2005 – FY 2008). However, if a bureau is audited by OPM that organization need not also complete a self-assessment.

Following is a summary of the Accountability tools:

Accountability Tools		
Tool	Purpose	Action Timeframe
Annual Human Capital Assessment Report (Appendix 2)	<ul style="list-style-type: none"> Assess Department-wide performance on HCSP using the accountability measures 	Annually
Human Capital Progress Report (Appendix 3)	<ul style="list-style-type: none"> Assess Department-wide progress on HCSP and PMA initiatives against planned actions 	March 31 and September 30
Best Practices Capture Tool (Appendix 4)	<ul style="list-style-type: none"> Document bureau best practices in human capital management and serve as a means to share knowledge across the agency 	Captured on an ad hoc basis and shared with bureaus
Compliance Self-Assessment Tool (Appendix 5)	<ul style="list-style-type: none"> Assist bureaus in monitoring effectiveness in implementing merit-based strategies that support the mission 	Once during the life of the HCSP

KEY STAKEHOLDER ROLES AND RESPONSIBILITIES

Effective implementation of Treasury's *Human Capital System for Accountability* requires the commitment of all levels of management. The following table outlines specific roles key stakeholders in the process including, senior leadership, management, Human Resources Officers (HROs), the DASHR/CHCO, and OPM and OMB.

Stakeholder Roles and Responsibilities	
Senior Management	<ul style="list-style-type: none"> Responsible for the overarching management of strategic human capital throughout the Treasury Department Provide leadership attention to accountability for implementation of the HCSP and resources prioritization and allocation for human capital efforts
Deputy Assistant Secretary for Human Resources and Chief Human Capital Officer (DASHR/CHCO)	<ul style="list-style-type: none"> Communicate with bureau heads on an annual basis to gain agreement on human capital commitments Provide guidance and direction for the human capital planning effort Manage accountability for the Department's progress Lead the sharing of human capital best practices and recognize accomplishments Lead the effort to maintain and update the HCSFA Communicate human capital progress to Secretary, OMB and OPM
Bureau Executives and Management	<ul style="list-style-type: none"> Identify and gain agreement on annual human capital commitments Integrate HCSP Goals and Strategies and HC Accountability into bureau business plans Participate in the development of human capital plans and initiatives, and accountability for bureau progress Identify and make recommendations on human capital issues resulting from the accountability process and affecting bureau mission Demonstrate commitment, support and leadership and communicate expectations regarding human capital management and accountability
Human Resources Officers (HROs)	<ul style="list-style-type: none"> Advise bureau heads on status of the Human Capital program management and results Elevate human capital challenges and issues to the DASHR/CHCO Develop bureau human capital commitments in collaboration with bureau heads, managers and supervisors Participate in annual forum to discuss progress on HCSP and best practices Collaborate with bureau managers and supervisors to implement decisions regarding human capital plans, actions, and resource priorities Report on progress for assessing programs through use of the <i>Human Capital System for Accountability</i>
Managers and Supervisors	<ul style="list-style-type: none"> Collaborate with organizational management, including Human Resources Officers, to identify human capital needs and challenges and recommend appropriate solutions Implement human capital goals and strategies as set forth in the HCSP, and <i>Human Capital System for Accountability</i>, and bureau strategic plans
OPM/OMB	<ul style="list-style-type: none"> Evaluate Treasury's agency-wide reporting on human capital initiatives Review data to determine Executive Branch Management Scorecard for Human Capital Management Support Treasury Department in implementing human capital solutions

PROCESS FOR ENSURING ACCOUNTABILITY

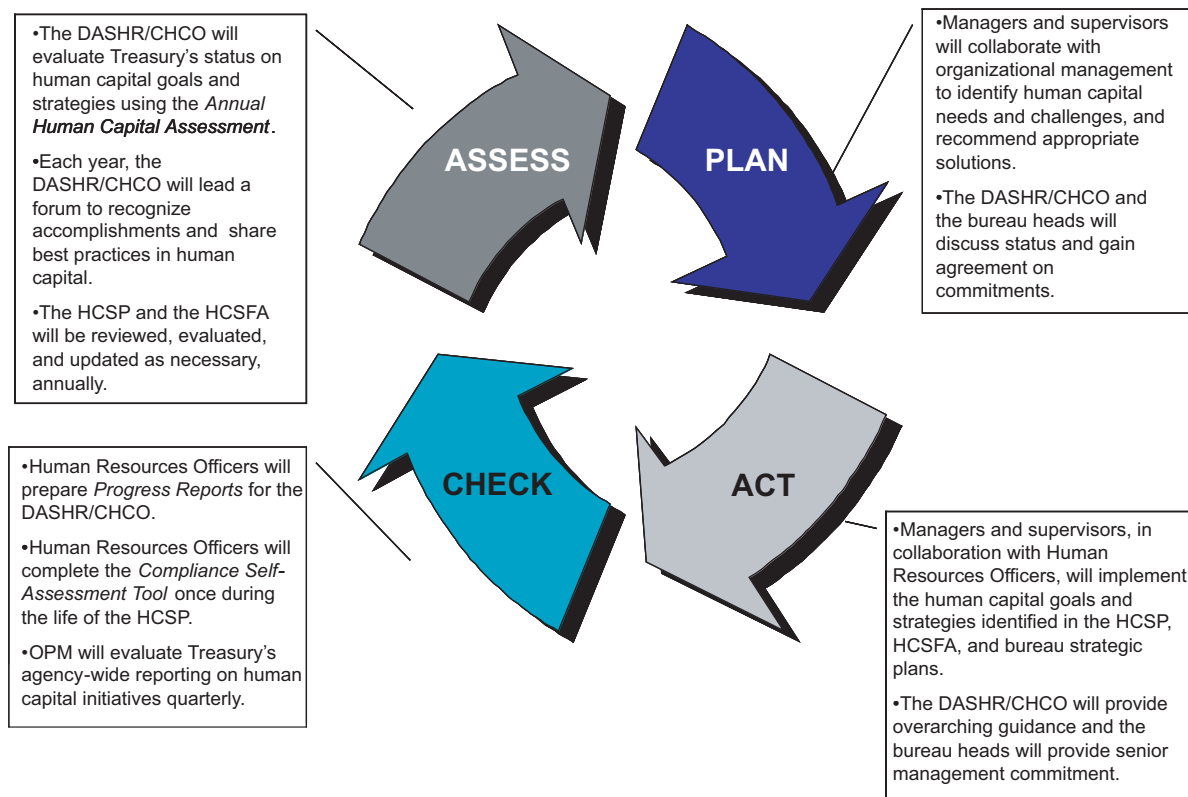
A formal process for reporting and monitoring implementation of the Human Capital Strategic Plan ensures that bureaus commit to specific actions, identify issues and challenges, and communicate progress towards goals. As depicted in the figure titled “Annual Human Capital System for Accountability Process” below, the Human Capital System for Accountability is a cyclical four-step process.

Overview

At the beginning of the fiscal year bureaus **plan** human capital activity by identifying human capital issues and challenges and documenting human capital commitments. These commitments are submitted to the DASHR/CHCO and are part of a discussion between the bureau heads and the DASHR/CHCO on human capital progress. Bureau executives, managers, and Human Resources Officers **act** on those plans by implementing policies and programs throughout the year. The Department and bureaus periodically **check** progress during the

fiscal year and the bureaus report on compliance once during the life of the HCSP. Finally, the DASHR/CHCO will **assess** the Department and bureaus’ status against the accountability measures and recognize accomplishments during an annual best practices forum. During the first year of implementation only, the Department will start the cycle by assessing the Department and bureaus’ status using the **Annual Human Capital Assessment Report** (Appendix 2). Each step in the process is described in further detail on the following pages.

Annual Human Capital System for Accountability Process



Plan

- Annual commitments will be developed based on collaboration between **Managers/Supervisors** and **HROs** regarding bureau-specific human capital issues and challenges, as well as the results from the **Annual Human Capital Assessment Report** (Appendix 2). Annual commitments will be documented on the **Human Capital Progress Report** (Appendix 3), and submitted to the DASHR/CHCO by October 31 of each year.
- The **DASHR/CHCO** and **bureau head** will review and discuss the **Annual Human Capital Assessment Report** (Appendix 2) and bureau's annual commitments.
- **Treasury Senior Management** will be responsible for the overarching management of strategic human capital throughout the Treasury Department.

Act

- **Bureau heads** will communicate expectations regarding human capital management to managers and supervisors and ensure institutional support of human capital through administrative tools, including budget and procurement.
- **Managers/Supervisors** should collaborate with **HROs** to implement specific policies and programs.
- **HROs** will work with the **DASHR/CHCO Office** to make improvements to human capital programs and policies in order to achieve desired results and implement decisions regarding human capital plans, actions, and resource priorities.
- **HROs** should document bureau best practices in the **Best Practices Capture Tool** (Appendix 4). The DASHR/CHCO will periodically request the submission of Best Practices.
- The **DASHR/CHCO** Office will provide overarching human capital guidance.

Check

- **Human Resources Officers** will prepare **Human Capital Progress Reports** (Appendix 3) for submission to the DASHR/CHCO, with approval from the bureau heads. Bureaus will self-score their progress on each HCSP goal; however, the DASHR/CHCO will review the scores. Human Resources Officers should elevate specific human capital challenges and issues to the DASHR/CHCO and, with approval by the Bureau Heads, revise commitments accordingly throughout the year. The mid-year and annual Progress Reports are due to the DASHR/CHCO within ten business days of the scheduled reporting dates, March 31 and September 30.
- The **DASHR/CHCO** will assess bureau-specific **Human Capital Progress Reports** (Appendix 3) and provide feedback to bureau heads, the Assistant Secretary for Management, CFO, and OPM/OMB as required.
- The **DASHR/CHCO** will ensure that stakeholder concerns are addressed with regard to HCSP implementation, and report Treasury's progress towards human capital goals to OPM and OMB.

- **Human Resources Officers** will advise bureau heads on the status of human capital program management and results.
- At least once during the life of the Human Capital Strategic Plan (FY 2005 – FY 2008), **bureaus** are required to conduct a general compliance self-assessment. Treasury has decided to adopt OPM’s Human Resources Operations Audit Tool in order to help bureaus assess their effectiveness in implementing merit based strategies that

support their mission, and monitor merit system compliance on an ongoing basis. However, if a bureau is audited by OPM that organization is exempt from completing the self-assessment. **Human Resources Officers** will need to certify by memorandum to the DASHR/CHCO that the compliance self-assessment was completed and that they are taking action to address any deficiencies found.

Assess

- The **DASHR/CHCO** will work with the bureaus to collect and analyze Department-level and bureau-specific accountability measures data. Most of the data will be captured by the DASHR/CHCO office as of July 31 each year. However, **bureaus** will be asked to provide the DASHR/CHCO Office with data for the five programmatic measures. The DASHR/CHCO Office will complete the **Annual Human Capital Assessment Reports** (Appendix 2) and provide the completed reports to the bureaus at the beginning of the fiscal year.
- During the first year of HCSP implementation, the **DASHR/CHCO** working collaboratively with the **HRO’s** will establish baseline data on accountability measures in order to determine appropriate targets. Once targets are determined, all bureaus will be responsible for assessing progress on all accountability measures,

even if certain accountability measures are not current priorities for particular bureaus. Even for those measures that are not current priorities, it is still important that the Department collect data. This data will be used to assess department-wide issues and potentially identify additional gaps.

- The **DASHR/CHCO** will facilitate an annual forum with the **Human Resources Advisory Council** (HRAC), the Diversity Council, and business leaders to discuss new human capital initiatives, share internal best practices, and recognize achievements in HCSP implementation.
- The **DASHR/CHCO** in collaboration with the **bureaus** will review the *Human Capital System for Accountability and Human Capital Strategic Plan* annually and make adjustments as necessary.

System for Accountability Timeline of Activities by Quarter				
Responsible Party/Office	Quarter 1 Oct, Nov, Dec	Quarter 2 Jan, Feb, Mar	Quarter 3 Apr, May, June	Quarter 4 July, Aug, Sept
DASHR/CHCO	<ul style="list-style-type: none"> Review bureau human capital commitments Conduct follow-up with bureau heads to discuss human capital commitments Review bureau Human Capital Progress Report as needed 	<ul style="list-style-type: none"> Review bureau Human Capital Progress Report and provide feedback 	<ul style="list-style-type: none"> Review bureau Human Capital Progress Report as needed 	<ul style="list-style-type: none"> Lead forum to discuss and best practices and recognize accomplishments Review and evaluate HCSFA; update annually as necessary Collect, analyze and assess human capital data; Produce Annual Human Capital Assessment Review bureau Human Capital Progress Report and provide feedback
Bureau Heads/ CFO	<ul style="list-style-type: none"> Submit bureau human capital commitments to DASHR/CHCO Meet with DASHR/CHCO to discuss human capital commitments Review bureau Human Capital Progress Report as needed 	<ul style="list-style-type: none"> Review bureau Human Capital Progress Report 	<ul style="list-style-type: none"> Review bureau Human Capital Progress Report 	<ul style="list-style-type: none"> Review bureau Human Capital Progress Report
Human Resources Officers	<ul style="list-style-type: none"> Implement the human capital goals and strategies Develop human capital commitments 	<ul style="list-style-type: none"> Implement the human capital goals and strategies Produce mid-year bureau Human Capital Progress Report 	<ul style="list-style-type: none"> Implement the human capital goals and strategies 	<ul style="list-style-type: none"> Implement the human capital goals and strategies Participate in forum to discuss progress on the HCSP and best practices in Human Capital Provide programmatic human capital measures data for DASHR/CHCO Produce end of fiscal year bureau Human Capital Progress Report
Managers/ Supervisors	<ul style="list-style-type: none"> Collaborate with organizational management to identify human capital needs and challenges, and recommend appropriate solutions 	<ul style="list-style-type: none"> Implement the human capital goals and strategies 	<ul style="list-style-type: none"> Implement the human capital goals and strategies 	<ul style="list-style-type: none"> Implement the human capital goals and strategies
OPM/OMB	<ul style="list-style-type: none"> Evaluate Treasury's agency-wide reporting on human capital initiatives Review data to determine Executive Branch Management Scorecard for Human Capital Management 	<ul style="list-style-type: none"> Evaluate Treasury's agency-wide reporting on human capital initiatives Review data to determine Executive Branch Management Scorecard for Human Capital Management 	<ul style="list-style-type: none"> Evaluate Treasury's agency-wide reporting on human capital initiatives Review data to determine Executive Branch Management Scorecard for Human Capital Management 	<ul style="list-style-type: none"> Evaluate Treasury's agency-wide reporting on human capital initiatives Review data to determine Executive Branch Management Scorecard for Human Capital Management

SUMMARY

The HCSFA implementation will begin FY 2005 and will be linked to the Treasury Human Capital Strategic Plan implementation process. To ensure successful implementation of the Human Capital System for Accountability, the DASHR/CHCO will take appropriate steps to educate key stakeholders about the strategic management of human capital and why accountability measures are critical for making data driven decisions. Treasury will also establish new policies and practices to help institutionalize a culture of accountability for human capital.

APPENDIX 1: ACCOUNTABILITY MEASURES

The accountability measures are presented with the specific *Human Capital Strategic Plan (HCSP)* goal they are intended to align with. The data resulting from the measures will provide a status on the progress Treasury has realized in each human capital goal effort. Each performance measure category includes a description, the data source, data owner, reporting frequency, rationale, any needed definitions related to the measure, and the measure's reliability.

Measures for Human Capital Strategic Goal #1: Organizational Effectiveness	
<i>Align human capital plans, strategies, and systems to achieve organizational effectiveness and mission accomplishment.</i>	
Measure 1a: Comparison of Compensation-employees with highest rating of record and all other employees.	
Description	Focuses on the total compensation employees with an Outstanding rating of record receive compared to all other employees
Data Source	National Finance Center (NFC)
Data Owner	Treasury
Reporting Frequency	Annual
Rationale	According to OPM, one of the drivers of improved performance is the extent to which the agency rewards high performance. If we assume that employees with “Outstanding” ratings do perform significantly better than other employees, then all other things being equal they should be advancing more rapidly than other employees, and, hence, they should be more highly compensated than other employees.
Definitions	<u>Highest Rating</u> : Highest summary rating of record within a bureau or agency.
Reliability	Medium: Data is from an automated system, which captures the annual salaries of the employees and the performance ratings received. Performance ratings are not always updated in a timely manner, and therefore some may be missed.
Measure 1b: Federal Human Capital Survey Index: Performance Distinctions	
Description	Equally weighted index of Federal Human Capital Survey (FHCS) questions (#30 “Awards in my work unit depend on how well employees perform their jobs,” #27 “High performing employees in my work unit are recognized or rewarded on a timely basis,” #28 “Employees are rewarded for providing high-quality products and services to customers,” and #24 “In my work unit, steps are taken to deal with a poor performer who cannot or will not improve”)
Data Source	Federal Human Capital Survey
Data Owner	Office of Personnel Management (OPM)
Reporting Frequency	Annual
Rationale	The FHCS asks several questions that probe employees’ perceptions of the extent to which the organization’s culture rewards high performance and addresses poor performance. The FHCS is given to a statistically valid, representative sample of Treasury employees and those of 22 other member agencies of the President’s Management Council.
Definitions	None
Reliability	Medium: The FHCS uses stratified random sampling, weighting procedures and a large sample size to produce findings that are representative of the total population within a margin of error of plus or minus one percent.

Measure 1c: Federal Human Capital Survey Index: Well-Trained Workforce	
Description	Equally weighted index of employee perceptions regarding the efficiency and effectiveness of training strategies (#53 “My training needs are assessed,” and #54 “I receive the training I need to perform my job”)
Data Source	Federal Human Capital Survey
Data Owner	Office of Personnel Management (OPM)
Reporting Frequency	Annual
Rationale	Employee perceptions provide an accurate indication of the quality and appropriateness of training initiatives.
Definitions	None
Reliability	Medium: The FHCS uses stratified random sampling, weighting procedures and a large sample size to produce findings that are representative of the total population within a margin of error of plus or minus one percent.
Measure 1d: Number of bureaus with documented Human Capital strategies, which are aligned with bureaus’ strategic plans.	
Description	Bureau is able to produce a documented human capital strategy that aligns with documented business objectives
Data Source	Bureau
Data Owner	Bureau
Reporting Frequency	Annual
Rationale	Ensures bureaus are formalizing human capital strategies and giving consideration to alignment of human capital management activities to business results.
Definitions	Documented Human Capital Strategy: Bureau has a formal HCSP, or human capital objectives are included in bureau strategic plan, or bureau has documented human capital planning activities.
Reliability	High: Bureaus are either able to produce documentation on human capital planning activities or they are not.
Measure 1e: Number of bureaus that conduct workforce reviews or formal planning on a periodic basis.	
Description	Bureau is able to produce documented evidence of evaluation of current and future workforce needs
Data Source	Bureau
Data Owner	Bureau
Reporting Frequency	Annual
Rationale	Efficient management of human capital assets includes ensuring the bureau has the right people in place to meet business objectives and will be able to maintain appropriate staffing levels without unanticipated interruption.
Definitions	<u>Workforce Review</u> : Conduct a review of the bureau’s organizational structure and workforce optimization on a periodic basis. <u>Workforce Plan</u> : Conduct a formal workforce and workload analysis on a periodic basis.
Reliability	High: Bureaus are either able to produce documented plans, or they are not.

Measures for Human Capital Strategic Goal #2: Recruitment and Diversity <i>Recruit and hire a highly skilled and diverse workforce aligned with business goals.</i>	
Measure 2a: Workforce, hiring, and separation trends in comparison to the Federal Labor Force (CLF), the Civilian Labor Force (CLF), and the Relevant Civilian Labor Force (RCLF) as appropriate.	
Description	Shows progress in hiring and retaining diverse employees (including those with disabilities) when compared to the Federal workforce, the CLF, and/or RCLF as appropriate
Data Source	HR Connect/NFC, EEOC Annual Report, 1990 Census Data
Data Owner	EEO
Reporting Frequency	Annual
Rationale	Recruiting from a diverse pool of candidates leads to greater success in hiring highly qualified employees.
Definitions	<u>Diverse Workforce</u> : The collective mixture of differences and similarities current and potential employees possess.
Reliability	High: Numbers come directly from payroll system; and comparative data is provided by the Census Bureau.
Measure 2b: Full time, permanent employees in mission critical occupations (MCO) at or above working level compared to all mission critical occupations.	
Description	Shows the number of MCO employees who have acquired journey-level occupational competencies compared to the total number of employees in those positions
Data Source	NFC
Data Owner	Treasury
Reporting Frequency	Annual
Rationale	This measure assumes that employees who have attained the journey-level possess the required competencies for performance at the full working-level. There is also an assumption that employees below the journey-level do not fully possess these competencies due to lack of specific training and/or experience without regard to prior service outside the current position. The measure captures the gap between the number of employees in MCOs who have all the required competencies and the total number of employees in those positions. Measuring this gap over time will determine whether the gap is closing. The desired outcome is that the Treasury Department has what it feels is an appropriate number of fully competent employees in MCOs.
Definitions	<u>Mission Critical Occupations</u> : Those occupations, which are deemed to be critical to the accomplishment of each bureau's mission. Each bureau's senior management team defines these. <u>Competency Gap</u> : The difference between the skills, knowledge and experience employees need to successfully complete assigned tasks and the skills, knowledge and experience they actually possess. <u>Full-Time Permanent Employees</u> : An employee whose tour of duty is 80 hours per pay period for 52 weeks and is under either a career, term, or excepted appointment which is not limited to one year or less. <u>Full Working Level</u> : The highest grade achieved by demonstration of performance without competition.
Reliability	High: Numbers come directly from payroll system.

Measure 2c: Quality of Hires (retention rate of new hires after 3 years).	
Description	Percentage of new hires still on roll three years from date of hire
Data Source	NFC
Data Owner	Treasury
Reporting Frequency	Annual
Rationale	Measuring the retention rate of hires helps to track the effectiveness and efficiency of recruitment efforts.
Definitions	None
Reliability	High: Numbers come directly from payroll system.
Measure 2d: Number of bureaus with a documented recruitment and hiring strategy in place which addresses skills and diversity needs.	
Description	Determines if the bureaus are identifying gaps in employee skills and diversity and addresses whether or not bureaus are taking steps in their hiring and recruitment plans to address identified gaps
Data Source	Bureau
Data Owner	Bureau
Reporting Frequency	Annual
Rationale	Bureaus with documented recruitment and hiring plans are strategically planning for current and future workforce requirements.
Definitions	<u>Documented Recruitment and Hiring Strategy</u> : A formal recruitment or hiring plan, recruitment and/or hiring objectives included in HCSP or bureau strategic plan, or other documented recruitment and hiring activities.
Reliability	High: Bureaus are either able to produce documented strategies, or they are not.
Measure 2e: Vacancy minimization/percentage of vacant positions that are filled in 45 business workdays (or comparable calculation) or less.	
Description	Focuses on the percentage of positions that are filled in 45 workdays or less
Data Source	TBD; HR Connect is a potential source.
Data Owner	Treasury
Reporting Frequency	Annual
Rationale	If turnover is “optimized,” then all positions should be filled quickly.
Definitions	<u>Positions</u> : All permanent positions. Excludes those positions that are filled through time-limited appointments.
	<u>Vacant</u> : A position for which there is an officially approved Request to Fill action (business unit approval with funding identified). <u>45 days</u> : 45 work days (or comparable calculation). The period between the closing date of the vacancy announcement to the date of the first offer.
Reliability	Medium: Systems may not currently be in place to track the data as defined. Automated processes will be adapted, as appropriate, to collect the data. However, some data may need to be collected manually until automated processes are fully implemented.

Measures for Human Capital Strategic Goal #3: Employee Retention and Employee Satisfaction <i>Retain a high performing workforce and maintain an environment conducive to a high level of employee satisfaction.</i>	
Measure 3a: Federal Human Capital Survey Index: Culture of Inspiring, Ethical, and Effective Leadership.	
Description	Equally weighted index of employee perceptions regarding effective and ethical leadership (#40 “In my organization, leaders generate high levels of motivation and commitment in the workforce,” #39 “I have a high level of respect for my organization’s senior leaders,” and #41 “Leaders maintain high standards of honesty and integrity”)
Data Source	Federal Human Capital Survey
Data Owner	Office of Personnel Management (OPM)
Reporting Frequency	Annual
Rationale	The FHCS asks several questions that probe employees’ perceptions regarding organizational leadership and ethics. The FHCS is given to a statistically valid, representative sample of Treasury employees and those of 22 other member agencies of the President’s Management Council.
Definitions	None
Reliability	Medium: The FHCS uses stratified random sampling, weighting procedures and a large sample size to produce findings that are representative of the total population within a margin of error of plus or minus one percent.
Measure 3b: Employee retention and attrition rates of employees receiving the highest attainable rating versus others (breakout by bureau, MCO, RNO/Gender, New Hires).	
Description	Compares employee retention and attrition rates among the highest performing employees and all other employees
Data Source	NFC
Data Owner	Bureau
Reporting Frequency	Annual
Rationale	Organizations aim to retain their top performing employees. By comparing attrition rates among all performance categories, the organization will be able to determine if the top performing employees are leaving the organization at the same rate as all other categories.
Definitions	Highest Rating: Highest summary rating of record within a bureau or agency.
Reliability	High: Numbers come directly from payroll system.
Measure 3c: Federal Human Capital Survey Index: Supportive Workplace Environment.	
Description	Equally weighted index of employee perceptions regarding a supportive workplace environment (#17 “I have sufficient resources to get my job done,” #22 “Physical conditions allow employees to perform their jobs well,” #1 “The people I work with cooperate to get the job done,” #52 “I am given a real opportunity to improve my skills in my organization,” #3 “I have enough information to do my job well,” #4 “I feel encouraged to come up with new and better ways of doing things”)
Data Source	Federal Human Capital Survey

Data Owner	Office of Personnel Management (OPM)
Reporting Frequency	Annual
Rationale	The FHCS asks several questions that probe employees' perceptions regarding a supportive workplace environment. The FHCS is given to a statistically valid, representative sample of Treasury employees and those of 22 other member agencies of the President's Management Council.
Definitions	None
Reliability	Medium: The FHCS uses stratified random sampling, weighting procedures and a large sample size to produce findings that are representative of the total population within a margin of error of plus or minus one percent.
Measure 3d: Federal Human Capital Survey Index: High Level of Employee Satisfaction.	
Description	Equally weighted index of employee perceptions regarding satisfaction with one's job and organization (#65 "Considering everything, how satisfied are you with your job," and #67 "Considering everything, how satisfied are you with your organization")
Data Source	Federal Human Capital Survey
Data Owner	Office of Personnel Management (OPM)
Reporting Frequency	Annual
Rationale	The best way to determine employee satisfaction is to ask them.
Definitions	None
Reliability	Medium: The FHCS uses stratified random sampling, weighting procedures and a large sample size to produce findings that are representative of the total population within a margin of error of plus or minus one percent.
Measure 3e: Federal Human Capital Survey Index: Optimum Fairness and Equity in the Treatment of Employees.	
Description	Equally weighted index of employee perceptions regarding fairness and equity in the workplace (#23 "Promotions in my work unit are based on merit," #46 "Complaints, disputes, or grievances are resolved fairly in my work unit, #47 "Arbitrary action, personal favoritism, and coercion for partisan political purposes are not tolerated," and #33 "My performance appraisal is a fair reflection of my performance")
Data Source	Federal Human Capital Survey
Data Owner	Office of Personnel Management (OPM)
Reporting Frequency	Annual
Rationale	Maintaining an environment conducive to a high level of satisfaction begins with treating employees in a fair and just manner.
Definitions	None
Reliability	Medium: The FHCS uses stratified random sampling, weighting procedures and a large sample size to produce findings that are representative of the total population within a margin of error of plus or minus one percent.

Measures for Human Capital Strategic Goal #4: Technology Skills <i>Enhance workforce capabilities to support the use of current, new, and evolving technologies.</i>	
Performance Measure 4a: Number of bureaus with documented strategies in place that identify and take steps to address employee technology competency gaps.	
Description	Examines those bureaus that have strategies to address employee technology competency objectives
Data Source	Bureau
Data Owner	Bureau
Reporting Frequency	Annual
Rationale	If an organization has a documented strategy to address employee technology competency gaps, the organization is likely to be planning for future technology competency requirements.
Definitions	None
Reliability	High: Bureaus are either able to produce documented strategies, or they are not.
Measure 4b: Number of bureaus that periodically address the impact of relevant current and evolving technologies on human capital goals.	
Description	Examines those bureaus that are addressing the impact of current and evolving technologies on human capital management
Data Source	Bureau
Data Owner	Bureau
Reporting Frequency	Annual
Rationale	If an organization is addressing the impact of new technologies on the workforce, it is likely to be planning for future workforce technology competency needs.
Definitions	None
Reliability	High: Bureaus are either able to produce documented strategies, or they are not.
Measure 4c: Federal Human Capital Survey Index: Learning and Knowledge Management.	
Description	Equally weighted index of employee perceptions regarding learning and knowledge management (#45 “Employees have electronic access to learning and training programs readily available at their desk,” and #49 “Employees in my work unit share knowledge with each other”)
Data Source	Federal Human Capital Survey
Data Owner	Office of Personnel Management (OPM)
Reporting Frequency	Annual
Rationale	An employee perception regarding e-learning and sharing knowledge contributes to an organization’s success in meeting technology competency objectives.
Definitions	None
Reliability	Medium: The FHCS uses stratified random sampling, weighting procedures and a large sample size to produce findings that are representative of the total population within a margin of error of plus or minus one percent.

APPENDIX 2:

ANNUAL HUMAN CAPITAL ASSESSMENT REPORT

ANNUAL HUMAN CAPITAL ASSESSMENT REPORT						
Accountability Measures		FY05	FY06	FY07	FY08	Target*
1. HCSP GOAL #1: ORGANIZATIONAL EFFECTIVENESS						
M1a – Comparison of Compensation (employees with highest rating of record and all other employees).						
M1b – Federal Human Capital Survey Index: Performance Distinctions.						
M1c – Federal Human Capital Survey Index: Well-trained Workforce.						
M1d – Number of bureaus with documented Human Capital strategies which are aligned with bureau strategic plans.						
M1e – Number of bureaus that conduct workforce reviews or formal planning on a periodic basis.						
2. HCSP GOAL #2: RECRUITMENT AND DIVERSITY						
M2a – Workforce, hiring, and separation trends in comparison to the Federal Labor Force, the Civilian Labor Force, and the Relevant Civilian Labor Force as appropriate.						
M2b – Full time permanent employees in mission critical occupations at or above working level compared to all mission-critical occupations.						
M2c – Quality of hires (retention rate after 3 years).						
M2d – Number of bureaus with documented recruitment and hiring strategy in place which addresses skills and diversity needs.						
M2e – Vacancy minimization/percentage of vacant positions that are filled in 45 work days or less.						
3. HCSP GOAL #3: EMPLOYEE RETENTION AND EMPLOYEE SATISFACTION						
M3a – Federal Human Capital Survey Index: Culture of Inspiring, Ethical, and Effective Leadership.						
M3b – Employee retention and attrition rates of employees receiving the highest attainable rating versus others.						
M3c – Federal Human Capital Survey Index: Supportive Workplace Environment.						
M3d – Federal Human Capital Survey Index: High Level of Employee Satisfaction.						
M3e – Federal Human Capital Survey Index: Optimum Fairness and Equity in the Treatment of Employees.						
4. HCSP GOAL #4: TECHNOLOGY SKILLS						
M4a – Number of bureaus with documented strategies in place that identify and take steps to address employee technology gaps.						
M4b – Number of bureaus which periodically address the impact of relevant current and evolving technologies on human capital goals.						
M4c – Federal Human Capital Survey Index: Learning and Knowledge Management.						
5. COMPLIANCE						
M5a – Number of bureaus which conduct at least one general compliance self-assessment during the lifecycle of the Human Capital Strategic Plan. This element will be considered met if a bureau is audited by OPM during the period FY2004 - 2008.						
<i>Notes: * Targets for the accountability measures will be developed at the end of FY05, once baseline data is collected and the measures are piloted. This will be completed by the Department with input, as appropriate, from the Bureaus. The Department may request certain data from the Bureaus.</i>						

ANNUAL HUMAN CAPITAL ASSESSMENT REPORT - BUREAU							
Accountability Measures		FY05	FY06	FY07	FY08	TREASURY TARGET	ACTION NEEDED
1. ORGANIZATIONAL EFFECTIVENESS							
M1a – Comparison of Compensation (employees with highest rating of record and all other employees).							
M1b – Federal Human Capital Survey Index: Performance Distinctions.							
M1c – Federal Human Capital Survey Index: Well-trained Workforce.							
M1d – Number of bureaus with documented Human Capital strategies which are aligned with bureau strategic plans.							
M1e – Number of bureaus that conduct workforce reviews or formal planning on a periodic basis.							
2. RECRUITMENT AND DIVERSITY							
M2a – Workforce, hiring, and separation trends in comparison to the Federal Labor Force, the Civilian Labor Force, and the Relevant Civilian Labor Force as appropriate.							
M2b – Full time permanent employees in mission critical occupations at or above working level compared to all mission-critical occupations.							
M2c – Quality of hires (retention rate after 3 years).							
M2d – Number of bureaus with documented recruitment and hiring strategy in place which addresses skills and diversity needs.							
M2e – Vacancy minimization/percentage of vacant positions that are filled in 45 work days or less.							
3. EMPLOYEE RETENTION AND EMPLOYEE SATISFACTION							
M3a – Federal Human Capital Survey Index: Culture of Inspiring, Ethical, and Effective Leadership.							
M3b – Employee retention and attrition rates of employees receiving the highest attainable rating versus others.							
M3c – Federal Human Capital Survey Index: Supportive Workplace Environment.							
M3d – Federal Human Capital Survey Index: High Level of Employee Satisfaction.							
M3e – Federal Human Capital Survey Index: Optimum Fairness and Equity in the Treatment of Employees.							
4. TECHNOLOGY SKILLS							
M4a – Number of bureaus with documented strategies in place that identify and take steps to address employee technology gaps.							
M4b – Number of bureaus which periodically address the impact of relevant current and evolving technologies on human capital goals.							
M4c – Federal Human Capital Survey Index: Learning and Knowledge Management.							
5. COMPLIANCE							
M5a – Number of bureaus which conduct at least one general compliance self-assessment during the lifecycle of the Human Capital Strategic Plan.							
Notes: * Targets for the accountability measures will be developed at the end of FY05, once baseline data is collected and the measures are piloted. **All FT and PT permanent employees are used for measures calculations.		Action Needed Key: Y= YES, action needed ; N= NO, action not needed at this time.					

APPENDIX 3: HUMAN CAPITAL PROGRESS REPORT

HUMAN CAPITAL PROGRESS REPORT _____ FY _____			
Human Capital Commitments*	Annual Commitment	Progress/ Accomplishments	Score
G, Y or R			
1. HCSP GOAL #1: ORGANIZATIONAL EFFECTIVENESS			
Compensation strategies and performance systems differentiate performance levels and link with organizational goals and mission accomplishment.			
The workforce is well trained and capable of achieving the mission.			
Human Capital policies, programs, and practices demonstrably support mission goals and organizational performance.			
Notes: * Bureaus must establish at least one commitment under each goal.		Scoring Key: G = GREEN: OBSERVING RESULTS; Y = YELLOW: IMPLEMENTING STRATEGIES; R = RED: ACTION IS BEING UNDERTAKEN/OR UNDERWAY	

HUMAN CAPITAL COMMITMENTS*	Annual Commitment	Progress/ Accomplishments	Score
2. HCSP GOAL #2: RECRUITMENT AND DIVERSITY			G, Y or R
Recruitment initiatives incorporate diversity with emphasis on underrepresented demographics to attract and acquire quality talent, especially for mission critical occupations. Recruitment initiatives are fully integrated with business plans and are supported by workforce and succession planning.			
Hiring practices are efficient and maximize flexibilities to achieve a diverse and skilled workforce.			
Notes: * Bureaus must establish at least one commitment under each goal.		Scoring Key: G = GREEN: OBSERVING RESULTS; Y = YELLOW: IMPLEMENTING STRATEGIES; R = RED: ACTION IS BEING UNDERTAKEN/OR UNDERWAY	

HUMAN CAPITAL COMMITMENTS*	Annual Commitment	Progress/ Accomplishments	Score
G, Y or R			
3. HCSP GOAL #3: EMPLOYEE RETENTION AND EMPLOYEE SATISFACTION			
Employee retention and satisfaction are engendered through a culture of inspiring, ethical, and effective leadership by supervisors, managers, and executives.			
A supportive workplace environment is established and maintained.			
Optimum fairness and equity in the treatment of employees has been achieved in all aspects of organizational culture.			
Notes: * Bureaus must establish at least one commitment under each goal.			Scoring Key: G = GREEN: OBSERVING RESULTS; Y = YELLOW: IMPLEMENTING STRATEGIES; R = RED: ACTION IS BEING UNDERTAKEN/OR UNDERWAY

HUMAN CAPITAL COMMITMENTS*	Annual Commitment	Progress/ Accomplishments	Score
4. HCSP GOAL #4: TECHNOLOGY SKILLS			G, Y or R
A formal strategy exists to help employees to obtain competencies needed to maximize the use of current, new, and evolving technologies in support of mission, goals, and objectives.			
Capture and share knowledge, and develop approaches for knowledge transfer to better perform Treasury's mission.			
Notes: * Bureaus must establish at least one commitment under each goal.			Scoring Key: G = GREEN: OBSERVING RESULTS; Y = YELLOW: IMPLEMENTING STRATEGIES; R = RED: ACTION IS BEING UNDERTAKEN/OR UNDERWAY

APPENDIX 4: BEST PRACTICES CAPTURE TOOL

BEST PRACTICES CAPTURE TOOL



Best Practice:

Results:

Key Activities:

Bureau:

Point of Contact:

Telephone:

APPENDIX 5:

COMPLIANCE SELF-ASSESSMENT TOOL*

OBJECTIVES, STRATEGY & PURPOSE

Objectives

Monitor and assess bureau effectiveness in implementing merit-based strategies that support their mission. Monitor merit system compliance on an ongoing basis.

Strategy

Conduct a self-assessment of bureau HR programs, operations, and use of personnel authorities to assess how well they support mission accomplishment and comply with the merit system principles, laws, and regulations.

Purpose

The self-assessment will determine how well agency HR programs, operations, and use of personnel authorities contribute to mission accomplishment and whether the actions taken comply with Merit Systems Principles (MSPs), and law and regulation. The reviews will assess the efficiency and effectiveness (including results) of the operations associated with three primary functional areas (i.e., Talent, Performance Culture, and Leadership and Knowledge Management) and Accountability. The review process will add value to agency operations by assessing human resource management procedures, systems, and results at the operational level; making recommendations for improvement when appropriate; and capturing best practices for broader use. We will determine a specific departmental focus for the review.

REVIEW TIMEFRAME & REPORTING

Review Timeframe

At least once during the life of the Human Capital Strategic Plan, each bureau will conduct a general compliance self-assessment. However, if a bureau is audited by the Office of Personnel Management that organization need not also complete a general compliance self-assessment.

Reporting

As appropriate, during the Annual HC Assessment Report process, the bureau will certify to the Office of the DASHR/CHCO that the self-assessment has been conducted. Upon request, the bureau will provide a summary report to the DASHR/CHCO office. The report will provide a summary of the findings from the review as they relate to the outcomes. It will also provide an assessment of merit systems compliance based on the findings from the site reviews.

*Treasury has adopted the Office of Personnel Management's Human Resources Operations Audit tool for this purpose.

HUMAN RESOURCES OPERATIONS SELF-ASSESSMENT MATRIX

HC Driver	Actions/programs	MSPs	Functional Area	Supports Special Emphasis Coverage
Talent	Merit Promotion	1, 2	Staffing	
	Competitive service appointments made through Delegated Examining procedures <ul style="list-style-type: none"> • Include categorical rating, if applicable 	1, 2	Staffing	<ul style="list-style-type: none"> • Veterans hiring • Fixing the Hiring Process
	Other competitive appointments <ul style="list-style-type: none"> • Conversion - Schedule C • Direct hire • VEOA 	1, 2	Staffing	<ul style="list-style-type: none"> • Veterans hiring • Fixing the Hiring Process • Political Conversions
	Time limited appointments <ul style="list-style-type: none"> • Temp limited appointments • Term appointments • Seasonal appointments 	1, 2	Staffing	<ul style="list-style-type: none"> • Temporary Employment • Veterans hiring • Fixing the Hiring Process
	Excepted appointments <ul style="list-style-type: none"> • Veterans Recruitment Appt • 30% Disabled Veterans • Student • Attorney • Federal Career Intern 	1, 2	Staffing	<ul style="list-style-type: none"> • Veterans hiring • Fixing the Hiring Process
	Affirmative Employment <ul style="list-style-type: none"> • Diversity Hiring • Federal Equal Opportunity Recruitment Program • Senior Executive Service • Disabled Veterans Affirmative Action Program 	1, 2	Staffing	<ul style="list-style-type: none"> • Veterans hiring • Fixing the Hiring Process
	Use of compensation flexibilities <ul style="list-style-type: none"> • Recruitment, retention, relocation allowances/ bonuses, student loan repayments • Advance-in-hire rates 	1, 2	Compensation	

HC Driver	Actions/Programs	MSPs	Functional Area	Supports Special Emphasis Coverage
Performance Culture	Performance Appraisal Program <ul style="list-style-type: none"> Standards/Elements Management accountability Ratings Training for appraisal official 	2, 5, 6	Performance Management Awards and Recognition Compensation	
	Awards/recognition <ul style="list-style-type: none"> Performance/Quality step Individual/Group cash/time off awards Awards distribution and criteria (are decisions fair and equitable)	2, 3, 5 2, 6		
	Quality Step Increases - Pass/Fail systems	2, 3, 5		
Leadership/ Knowledge Management	Needs Assessment/ Competency Development	2, 5, 7	Training	
	Program evaluation	2, 5, 7	Program Evaluation	
	Supervisory selection criteria	2, 5, 7	Supervisory and Managerial Selection and Development	
	Executive/Managerial/ Supervisory Development	2, 5, 7		
Accountability	HR Measures	All	All – See HRO Review Procedures	

Bureau-Specific Coverage (as appropriate)		
Coverage	MSPs	HC Driver
Voluntary Separation Incentive Program	2,5	Talent
Voluntary Early Retirement Authority	2,5	Talent
Others as identified		

A. TALENT

FOCUS

The overall focus of the Talent coverage is to determine whether the supporting elements of this driver, including the organization's initiatives and programs in Talent, are having the intended positive effect in contributing to mission accomplishment and the actions taken in support of it are in compliance with Merit Systems Principles (MSPs) and applicable laws. The review process will add value to agency operations by assessing human resource management procedures, systems, and results at the operational level, making recommendations for improvement when appropriate, and capturing best practices for broader use.

EXPECTED OUTCOMES AND KEY QUESTIONS

GENERAL – STAFFING/COMPENSATION

Expected Outcomes

Staffing and compensation authorities and flexibilities are used as a part of an overall, integrated bureau staffing plan to meet talent needs.

Key Questions

- Is an appropriate range of appointment authorities used to meet bureau needs, i.e., multiple sources are used to obtain needed competencies?
- Are staffing actions reflective of, and made in concert with, bureau staffing plans?
- Are compensation flexibilities used to address specific recruitment and retention needs i.e., 3R's, advance in hire rates, highest previous rate, student loan repayments, special rates?
- Is a variety of compensation flexibilities considered and used?

Expected Outcomes

The bureau makes appropriate, effective, and efficient use of staffing and compensation authorities and flexibilities to support agency mission.

Key Questions

- Do managers, supervisors, and HR staff understand the appropriate uses of staffing authorities and are they held accountable?
- Do recruitment efforts produce a sufficient number of high quality, diverse candidates in a timely manner?
- Does the bureau assess its use of various staffing authorities for effectiveness and efficiency, including quality and quantity of candidates, timeliness, and cost?
- Are managers, supervisors, and HR staff knowledgeable of available compensation authorities (i.e., 3R's – recruitment/retention/relocation bonuses, advance in hire rates, highest previous rate, student loan repayments, special rates), understand the appropriate uses of the authority, and held accountable for their proper use?
- Does the bureau assess its use of compensation flexibilities for effectiveness, including cost?
- Has accountability for use of staffing and compensation flexibilities been established? Is accountability monitored and assessed, with adjustments, as necessary? Are managers, supervisors and HR officials held accountable?

COMPETITIVE SERVICE APPOINTMENTS

Expected Outcomes

Competitive appointments are made in accordance with Merit System Principles, i.e., fair and open competition; meet legal and regulatory requirements; and support public policy and bureau initiatives.

Key Questions

- Are vacancies appropriately announced?
- Are recruiting, selection and retention processes merit-based?
- Does the bureau take advantage of the opportunity to support public policy initiatives, e.g., employment of veterans, women, and minorities?
- Are conversion of Schedule C appointees approved by OPM and appointments in accordance with law and regulation?
- Are direct hire appointments made for appropriate occupations, series, and locations?
- Do announcements include consideration of VEOA eligibles where appropriate? Are VEOA applications processed properly?
- Do competitive actions meet legal and regulatory criteria?

TIME LIMITED APPOINTMENTS

Expected Outcomes

Temporary appointments are made in accordance with Merit System Principles, i.e., fair and open competition; meet legal and regulatory requirements; and support of public policy and bureau initiatives.

Key Questions

- Are temporary vacancies appropriately announced?
- Are recruiting, selection and retention processes merit-based?
- Does the agency take advantage of the opportunity to support public policy initiatives, e.g., employment of veterans, women, and minorities?
- Do temporary employees receive appropriate benefits?
- Are time limits monitored and adhered to?
- Are temporary employees advised and aware of the nature of the appointment?
- Are seasonal and other temporary appointments used to supplement permanent staff in areas and at times needed?
- Do actions meet legal and regulatory criteria?

EXCEPTED APPOINTMENTS

This includes Veterans Recruitment, student, attorney, federal career intern, and appointments under agency-specific authorities

Expected Outcomes

As applicable, excepted appointments are made in accordance with Merit System Principles, i.e., fair and open competition; meet legal and regulatory requirements; and support of public policy and bureau initiatives.

Key Questions

- Are recruitment, selection, and retention processes merit-based?
- Does the bureau take advantage of the opportunity to support public policy initiatives, e.g., employment of veterans, women, and minorities?

- Does the bureau use these authorities to support its own initiatives, e.g., promote itself as an employer, establish contacts with recruitment sources, develop a recruiting pool for permanent jobs, etc.?
- Do excepted appointment actions meet legal and regulatory criteria?

AFFIRMATIVE EMPLOYMENT

Expected Outcomes

Managers and supervisors are aware of public policy on diversity and affirmative employment, are knowledgeable of organizational goals, and support those programs.

Key Questions

- Have managers and supervisors been trained on diversity and affirmative employment (AE) programs, including hiring the disabled and veterans employment?
- Does the bureau track and analyze employment data to identify and address under representation and advise managers and supervisors of these goals?
- Are managers and supervisors aware of organizational goals, strategies, and activities in support of public policy programs?

- Are these programs supported by top management and are managers held accountable for results of AE programs?

Expected Outcomes

Affirmative Employment Programs are a part of an overall, integrated bureau staffing plan to meet talent needs.

Key Questions

- Does the bureau have current plans (i.e., FEORP, DVAAP, etc.) to insure equal employment opportunity?
- Are affirmative recruitment strategies and activities in concert with bureau staffing plans?
- Are affirmative recruitment strategies and activities periodically assessed for effectiveness and results, and are adjustments made as needed?

GENERAL – PAY-SETTING

This includes recruitment, retention, and relocation allowances/bonuses; student loan repayments, use of advance in-hire rates, highest previous rate, special rates; and timely implementation of new classification standards to proper occupations.

Expected Outcomes

Use of compensation flexibilities is in accordance with Merit System Principles, law, and regulations.

Key Questions

- Are compensation decisions merit-based?

- Are appropriate records and documentation maintained for compensation decisions and actions?
- Do compensation actions meet legal and regulatory criteria?

B. PERFORMANCE CULTURE

FOCUS

The overall focus of the Performance Culture coverage is to determine whether the supporting elements of this driver are in place, including initiatives and programs, are having the intended positive effects in contributing to mission accomplishment by providing an environment for a high-performing workforce, and the actions taken in support of it are in compliance with the Merit Systems Principles and supporting requirements. It will include an assessment of the efficiency and effectiveness of the operations associated with the organization's performance culture. The review process will add value to agency operations by assessing human resource management procedures, systems, and results at the operational level, making recommendations for improvement when appropriate, and capturing best practices for broader use.

EXPECTED OUTCOMES AND KEY QUESTIONS

PERFORMANCE APPRAISAL PROGRAM

Expected Outcomes

The bureau is covered by a performance management system that establishes and evaluates managerial and individual contributions to mission accomplishment.

Key Questions

- Does the organization have a performance management system in place?
- Is the performance management system consistent with the agency's human capital plan and provide a clear vision to guiding the planning, investment, and management of human capital to achieve performance improvements consistent with the strategic goals and objectives?
- Has training been provided for rating officials? Are they aware of their responsibilities?
- Are performance plans communicated to employees and issued timely? Did employees have input on their performance plans?
- Do employees see a line of sight from their performance plans, how their work fits into the organization, and how they contribute to mission accomplishment?
- Are performance measures monitored and employees held accountable?
- Do employees receive meaningful feedback on performance?
- Are summary ratings issued timely?
- Does the system differentiate between high and low performers? If the organization uses a pass/fail system, is the awards program or other method(s) used to make more meaningful and fair performance distinctions?
- Is accountability for the system and its components (including management accountability) established? Is accountability monitored and assessed, with adjustments, as necessary? Are managers, supervisors and HR officials held accountable?

AWARDS AND RECOGNITION

Expected Outcomes

The results of the system promote a high-performance environment, including rewarding and encouraging good performance and addressing poor performance.

Key Questions

- Is an awards program in place that is understood and respected by employees? Is the criteria and distribution seen as fair and equitable? Does it include sufficient resources?
- In addition to monetary rewards (e.g., individual or group cash awards, QSI's) are other means beyond compensation used to enhance the reward and work environment, such as non-monetary awards/recognition (time-off, peer, etc.), use of work place flexibilities (AWS, credit hours, telework, EAP, transit subsidies, facilities programs), etc.
- Is the appraisal process used to identify and address competency gaps to enhance knowledge management efforts?
- Resources for improving performance, such as training costs, are viewed by management as investments in employee's and in the organization, and are supported with adequate funding.
- Employees view the work environment as supportive of their efforts to perform at their highest levels, and have opportunities to improve their skills.

EMPLOYEE ACCOUNTABILITY

- When appropriate, do supervisors take, with management support, corrective actions for holding employees accountable for performance-based and disciplinary-based actions?
- Does the organization assess the effectiveness of the performance management system, including the awards program, and make needed adjustments to promote an environment conducive of a high-performance workplace to accomplish mission?

C. LEADERSHIP AND KNOWLEDGE MANAGEMENT COVERAGE GUIDE

FOCUS

The overall focus of the Leadership and Knowledge Management coverage is to determine whether the agency's/organization's Leadership and Knowledge Management initiatives and programs contribute to mission accomplishment, and the actions taken in support of it are in compliance with Merit System Principles (MSPs) and applicable laws. The review process will add value to bureau operations by assessing human resource management procedures, systems, and results at the operational level, making recommendations for improvement when appropriate, and capturing best practices for broader use.

EXPECTED OUTCOMES AND KEY QUESTIONS NEEDS ASSESSMENT AND COMPETENCY DEVELOPMENT

Expected Outcomes

Installations and their leadership encourage and sustain an environment that supports continuous learning and improvement of its workforce.

Key Questions

- Do all employees have training or individual development plans? What is the organization's policy on having such plans?
- Does the organization support learning and development opportunities both on and off the job? Do employees avail themselves of these opportunities?
- Do leaders model behaviors which support a continuous learning environment?
- Do organizations evaluate the impact of investment in continuous learning and development on individual performance and mission accomplishment?

Expected Outcomes

Organizations have an effective strategic knowledge management (KM) effort in place. Technology is used to support the knowledge management effort. Innovative collaboration occurs throughout and across the organization.

Key Questions

- Is the KM strategy linked to achieving organizational performance results?
- Do organizations use a variety of strategies to manage knowledge transfer? What are some examples of strategies used?
- How is technology used to support knowledge management efforts?
- Do leadership and the organizational culture encourage knowledge sharing?
- Are there measures in place to evaluate the effectiveness of KM strategies and the impact on organizational performance?
- Is accountability established for KM?

Expected Outcomes

The organization's training and development efforts contribute to building a workforce capable of achieving bureau mission and performance goals.

Key Questions

- Are current and future competency needs regularly assessed, and are training decisions based on these assessments?

- Do training and development strategies and initiatives support competencies which are linked to bureau mission and strategic plan?
- Are employee development needs recognized and met in a timely and economical manner?
- Are adequate resources (training dollars, time, staffing levels) available to enable employees to receive essential training?
- Do organizations use a full range of training tools and options to meet their mission-related organizational and employee development needs?

PROGRAM EVALUATION

- To what extent is the effectiveness of training and development programs and practices tracked and assessed for impact on individual and organizational performance?

SUPERVISORY AND MANAGERIAL SELECTION AND DEVELOPMENT

Expected Outcomes

Effective leadership development and succession management programs are in place throughout the organization to ensure a continuity of leadership in the present and for the future.

Key Questions

- Do leadership development programs and succession management programs meet the current and projected needs of the organization?
- Is leadership development and skill mastery an on-going endeavor for all leaders in the organization?
- Are leaders held accountable for leadership development?

Expected Outcomes

Leadership development programs focus on development of core leadership competencies which foster a corporate perspective and are aligned with the strategic direction of the organization to ensure mastery of skill sets needed to effectively manage people and resources.

Key Questions

- Does the organization use a leadership competency model for the development of its leaders?
- Is the competency model aligned with the strategic direction of the organization and are the competencies integrated into other human resource processes/programs?
- Is the leadership competency model used in selecting new supervisors and managers?
- Are there tools in place to effectively monitor and assess competency development?
- Is there a system in place to identify changes in the environment which impact leadership competency requirements?

Expected Outcomes

Leadership supports and fosters an environment of high ethical standards and integrity.

Key Questions

- Are managers, supervisors, and employees aware of the merit system principles and prohibited personnel practices?
- Does leadership promote ethical behavior through modeling, fostering open communication, encouraging employee feedback, training, accountability systems, and disclosure mechanisms for employees?
- Are tools and resources available to support managers and employees in making good ethical decisions?
- Are training and development activities conducted in accordance with merit principles and the requirements of 5 U.S.C. 41 and 5 CFR 410 and 412?

Expected Outcomes

Leaders are effective in leading and supporting change efforts which result in sustained improvement of organizational performance.

Key Questions

- Do leaders understand how to effectively bring about organizational change?
- Are leaders held accountable for accomplishment of organizational change initiatives? How are they held accountable?
- Are measures in place to monitor progress and determine if change has produced desired results and enhanced organizational performance?